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20 July 1973

NOTE FOR: Mr. Colby

FROM : Ed Proctor

SUBJECT: Kissinger's View About

Soviet Grain Purchases

Executive Registry

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Duckett reported this morning that at yesterday's SALT VP meeting Kissinger made some very categorical statements reflecting his view that intelligence failed with regard to the Soviet grain deal last year. Duckett expressed the view that you would probably want us to start working on yet-another post mortem on this matter.

After this Morning's Meeting I called Andy Marshall to discuss this problem with him. I told him:

- -- that to prepare another complete post mortem on this subject would take a lot of our time. He agreed.
- -- that anything on this subject prepared by CIA would be considered suspect a priori by those for whom it was prepared. He agreed.
- -- that since much of the problem was outside the Intelligence Community (Agriculture) he probably was into better position to advise Kissinger on this matter.

NSC review

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Andy said he would talk to Odeen (who was at the SALT VP meeting) and get what was said first hand. Andy hopes to be prepared to discuss this with you when he sees you this afternoon.

Ed Proctor

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MEMORANDUM

73-4348

NATIONAL SECURITY COUNCIL

SECRET

1 March 1973



MEMORANDUM FOR THE RECORD

SUBJECT:

What are the Roles and Missions of Intelligence?

I believe that now is a good time for a thorough review of the Agency's perceptions of the roles and missions of intelligence. It would be useful in clarifying objectives. It might also provide a morale boost if we were to focus attention clearly on more achievable objectives. There is now a major contrast between what intelligence people sometimes tell themselves that their role and mission is (to provide a comprehensive basis for decision) and the limited nature of their products. The community, and especially CIA, are plagued with an overblown stated objective, while they pursue very cautious and timid operational goals.

How might one get at the roles and missions? By an analysis of the markets for intelligence. There are several ways in which this market analysis might be structured. One way would be to focus on various customer groups and study what they need for their many activities. Another way, which I prefer, would be to structure market in terms of the separate decision processes that intelligence is an input into. Of course, some intelligence publications now mainly supply a general background and information service. They are not at all closely connected with decision processes, but perhaps if we construed decision processes broadly enough one would not entirely neglect this function of intelligence. In any case, it is a question of how much priority intelligence producers ought to give to providing general background to a very broad and diffuse market. Unfortunately, too much of the product appears tailored solely for that purpose. Intelligence producers have never analyzed what their markets are, let alone finding out what the specific needs in any particular market were.

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In any case, to illustrate I believe that one could factor the high level decision processes that intelligence supports in the following way:

- -- Current and day-to-day operations. Here the functions involved are, at least at the upper levels, the providing of input to the day-to-day operating decisions and also a current intelligence situation monitoring and alerting function.
- -- Standard top-level policy processes; e.g., the NSSM process and other deliberative processes where there is a systematic effort to elaborate options and develop policies and positions.
- -- Event driven situations; e.g., major political-military crises, negotiations such as SALT, etc., although the latter could also be placed in the category above.

One could probably do a similar job at the major departmental levels. I believe the advantage of this approach is that you can more easily answer the question of what is needed. Intelligence, is primarily an input to some sort of decision process; once one focuses on it in that way, one can see more clearly precisely what is wanted. It also clarifies, as I point out below, one's view of what can intelligence do:

--where the intelligence producers' comparative advantage lies as compared with other sources of information relevant to the decision-making process?

A Characterization of the Current Situation

Intelligence often claims that it ought to be the basis of decision. It should, therefore, be comprehensive, an all encompassing wrapping-up of all relevant information. Clearly, this is an ambitious goal, and one that it is clearly not going to attain. For one thing it is not, or cannot compete with other sources of information in some areas. The President, or Henry Kissinger, have alternative sources of information on foreign government attitudes via their contact with ambassadors. There are newspapers and books they read, and the people who write them may be talked to occasionally.

In any case, the actual behavior of intelligence is very remote from the purported ideal. In fact intelligence confines itself largely to the role of the purveyor of special information, especially that obtained from sources that it controls. Intelligence reports limit themselves to very limited inferences beyond the data that they have. If they see a hole going into the ground, they are willing to tell you that in eighteen months it will probably be a silo, because they have seen three hundred of them start that particular way. But if you ask for hypotheses about why the Soviets program is what it appears to be, how programs relate to Soviet goals, or the goals of specific parts of the Soviet bureaucracy, likely future trends, you get either an evasive and ineffectual answer, or a very low grade set of speculations that you could just as well get from a man off the street. The fact is that after watching, studying, and analyzing the Soviet Union for twentyfive years they have no answers, no really interesting hypotheses about many of the key questions that interest top-level people. They would like to have first rate analysis, interesting hypotheses about the Soviet developments they receive a constant stream of reports on. community has made essentially no progress in providing the appropriate analysis.

There is little effort made to answer the key questions. Moreover, there is a lack of the research tradition within the community that would allow it progressively, over a period of years or decades, to produce more and more refined, accurate, insightful analyses of the behavior of the Soviet military, of the design bureaus, of the relevant governmental decision as processes. Indeed, one has the impression that analysts are swamped by the flood of data produced by the new collection systems that came on line during the sixties. They don't really have time to work on the basic questions, nor do they appear to have the incentive to do so. There is a constant overload problem, with both an excess supply of some sorts of data and our excess demand from consumers for whom intelligence is a free good. The production treadmill is the result.

The point I want to make is the striking contrast between a stated objective and the actual performance. A better formulation of intelligence roles and missions would be less ambitious and focus

on areas of intelligence producers' comparative advantage. But these new roles and missions would clearly call for more ambitious products than those produced today.

Some Related Observations

The NSC staff interviews show a desire to have the intelligence products do many of the following things:

- -- Provide a context for the flow of cable material. They say they want an antidote or counterbalance to the hot news bias of the cables and the current intelligence reporting. Indeed, there is a strong suggestion that the CIB ought to be redesigned as to its objectives.
- -- They want much more analysis of major trends. In part this a matter of providing context, but in particular the kind of context people want are an understanding of major trends, their relevance to policy.
- -- They want more speculative analysis that will provide hypotheses that explain past behavior, bypotheses that suggest the directions of future events. In a word they would like some help in thinking about the situations that they have to focus on in making policy.

The Indo-Pak and Jordanian Civil War studies have provided some special insights as to the failings of the intelligence community to provide assistance to top-level decisionmakers. There were some structural problems unveiled about the communication between the analysts and the decisionmakers and their staffs, but far more significant were revealed differences in the perspective of the decisonmakers and the typical intelligence analyst. There are many considerations that the top-level people focus on that the analysts appear to be unaware of, or run counter to their views as to the nature of the international game, or perhaps their views as to how it ought to be played. An example is the role of power and the use of military forces in periods of crisis to influence the behavior of other governments.

I feel that intelligence organization have not made an energetic effort to find out what their customers really want. Some of their leaders appear to have a very cynical view of the willingness of customers to accept really good intelligence analysis. Some may not, but this view can

easily cripple any desire to be of service to decisionmakers. It also leads to a view that the quality of the product is adequate, and lessens efforts to improve quality.

Despite the prevalence of the view that the Agency is objective (which in some ways it is since it does not have an immediate operational stake in an estimate in most cases), in some ways its estimates are highly politicized. There has been a tendency to take a very political view of the decisionmaking process into which products go. Hence, a tendency to see the statement of particular views as counter-biasing against what are viewed as wrong headed positions coming out of Defense. There is little attempt within the community as a whole to try to understand what the sources of the differences are and to undertake collection and analysis that might stand some chance of resolving them. Some Agency views, I believe, have been based on the notion that they supply a liberal interpretation as contrasted to a military or conservative interpretation of events, with no effort at analysis that could assist a decisionmaker in sorting out the problems he has when faced with these different estimates. I am all for having differences surfaced, but this ought to be done in a way that provides insights as to uncertainties and underlying assumptions. Statements of differences ought to clarify the situation rather than simply be a hearing from all of the different points of views.

Finally let me just note that another reason why a review of the role and mission of intelligence may be useful at this time. I believe we are in a period of very major structural change with regard to our relations with the world, with the development of new basic political, economic, and military strategies. It is likely to be a period comparable to that just following World War II. As far as I can see, the intelligence people have not taken this as a serious challenge to rethinking where their efforts ought to go. For example, they have been very slow and unimaginative in their efforts to expand and somewhat change the focus of what they are doing in the economic intelligence area. I also have the impression they have not at all considered what sort of changes in the requirements for intelligence might come about because of the increased number of negotiations that we might be involved in the whole range of issues. One of the things that is clearly

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going to be different about the next period is that we as a government are going to be engaged in a much wider range of relationships, negotiations, with both the Soviets and the Chinese. How can intelligence really help and participate in this? Clearly, there have been a number of problems thus far because real insight as to what is going on has been confined to a very small group at the top. This should change over the next while and perhaps intelligence ought to be getting ready for that.